

<b><i>Department of General Services</i></b>	
<b><i>Purchasing Policies and Procedures</i></b>	
<b>Subject: Purchasing from Minority-Owned, Woman Owned and Small Businesses</b>	
<b>Effective Date:</b>	<b>August 12, 2005</b>
<b>Approved:</b>	
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**I. Authority:** TCA § 41-22-403, TCA § 41-22-406, TCA § 12-3-10 Through 12-3-103, TCA § 12-3-105 through 12-3-208, TCA § 12-3-801 through 12-3-808, "Tennessee Minority Owned, Woman Owned and Small Business Procurement and Contracting Act," Executive Order Number 14 issued December 8, 2003.

**II. Purpose:** To provide for maximum participation by minority owned, woman owned and small business in Department of General Services, Purchasing Division procurement and contracting.  
To fully cooperate with the Governor's Office of Diversity Business Enterprise (Go-DBE) in achieving maximum participation of Diversity in contracting and in reporting the progress of Diversity Businesses.

**III. Application:** All Purchasing Division Employees.

**IV. Definitions:**

- A. ***Minority-owned business*** – A continuing, independent, for profit business which performs a commercially useful function and is at least 51% owned and controlled by one or more minority individuals who are impeded from normal entry into the economic mainstream because of past practices of discrimination based on race or ethnic background.
- B. ***Women-owned business*** – A women owned business that is a continuing, independent, for profit business which performs a commercially useful function, and is at least 51% owned and controlled by one or more women; or, in the case of any publicly owned business, at least 51% of the stock of which is owned and controlled by one or more women and whose management and daily business operations are under the control of one or more women.
- C. ***Small business*** – A business which is independently owned and operated, in accordance with the provisions of T.C.A § 12-3-802, and is not dominant in its field of operation.

**V. Policy:** Purchasing Division shall ensure that minority owned, woman owned and small businesses are included when soliciting bids for awarding of contracts or agreements or purchasing such goods or services. These businesses are subject to and governed under the same policies and procedures applicable to all businesses in relationship to terms, price, conditions, and quality for participation in procurement activities with the State of Tennessee.

**VI. Procedures:**

A. ***Soliciting Bids:*** *Purchasing Division* staff will actively solicit bids from minority owned, women owned and small businesses, in order to purchase a fair proportion of purchases from these business sectors.

1. The Governor's Office of Diversity Business Enterprise has compiled a comprehensive directory of minority owned, woman owned and small businesses and the directory of active and certified businesses will be used in locating potential sources for various products and services. This list is located on the world-wide-web at: [www.tennessee.gov/diversity](http://www.tennessee.gov/diversity) or intranet site at [www.intranet@state.tn.us](http://www.intranet@state.tn.us).

Equally, the directory is providing a listing of diversity businesses including industry capabilities for which these vendors are registered. These tools are available on the Go-DBE website, when appropriate purchasing Staff will contact the Governor's Office of Diversity Business Enterprise directly and may be provided an updated listing of all diversity businesses currently registered with their respective capabilities.

2. The Purchasing Director shall report to the Governor's Office of Diversity Business Enterprise, monthly or as requested, upcoming purchases and contract opportunities and the level of procurement participation by minority owned, woman owned, and small businesses. A report of Sub-contracting opportunities with diversity businesses, including award amounts, percentage of participation by diversity businesses from the previous month will also be provided.

3. The Purchasing Director shall ensure that the Diversity Language in all Invitations to Bids issued by the Department or Division or any other requisition submitted by other state department, agency, board or commission.
4. The Diversity language is requesting Bidders to indicate the level of Diversity Business Participation on each individual procurement. The language is included in the boiler plate and incorporated as special terms and conditions. Bidders that do not address the Diversity language may be determined non responsive.
5. The Governor's Office of Diversity Business Enterprise will assist the Purchasing Director upon request with the evaluation of the Diversity portion of Invitations to Bid received in response to a solicitation.
6. The Purchasing Director shall notify the Governor's Office of Diversity Business Enterprise when ITB is awarded, indicating the estimated percentage of diversity percentage, name of sub-contractor, award date, solicitation number and the month awarded.
7. Any recommendations regarding Vendor/Bidder Complaints that may lead to the Cancellation or Termination of Contracts, or purchase orders awarded to Diversity Businesses registered with the Governor's Office of Diversity Business Enterprise will be furnished to the Director of the Governor's Office of Diversity Business Enterprise.
8. Purchasing Director agrees to coordinate with Go-DBE to resolve complaints regarding non-performance, non-payment or default or recommendations of cancellation and or termination of contracts and purchase orders of any business registered or certified with Go-DBE.

9. Purchasing Director agrees to formulize and promogulate the rules of this policy into purchasing procedures within 30 days from this day and submit to the Board of Standards for approval.